The Cafeteria Fund (*Education Code* sections 38090–38093) is used to account separately for federal, state, and local resources to operate the food service program. Although the Cafeteria Fund is meant to be used for the LEA's food service program (*Education Code* sections 38091 and 38100), there may be other costs associated with providing food that are initially accounted for in this special revenue fund and subsequently transferred to other funds.

Example 1: Meals for Field Trips
The basic purpose of the Cafeteria Fund is to account for the provision of meals to students. Meals served incidentally to LEA staff are included in the program. In this example, the cafeteria prepares sack lunches for students on field trips. The lunches are included in the daily count and qualify for federal and state reimbursement.

Fund	Resource	Project Year	Goal	Function	Object	School
13	5310	0	0000	3700	4700	000

- Fund 13 is the Cafeteria Fund.
- Resource 5310 is Child Nutrition: School Programs.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 3700 is Food Services.
- Object 4700 is Food.
- School is not required.

Example 2: Meals Funded with Other Than Child Nutrition Funding
If an LEA, such as a small rural district, does not participate in the federal/state Child Nutrition Program, the LEA uses unrestricted money to provide lunches.

Fund	Resource	Project Year	Goal	Function	Object	School
01	0000	0	0000	3700	4700	000

- Fund 01 is the General Fund.
- Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 3700 is Food Services.
- Object 4700 is Food.
- School is not required.

Example 3: Field Trip Meals
Sometimes meals are provided as a part of a field trip. If the lunches are not provided as a part of the School Nutrition Program and therefore are not paid for with Child Nutrition money and the meals are not counted for the State Child Nutrition Program report, Function 3700 is no longer used. The cost of the meals is the cost of the field trip. For example, if local fundraisers provided the money to send a class on a field trip and part of the costs were for meals, the following coding would apply:

Fund	Resource	Project Year	Goal	Function	Object	School
01	9010	0	1110	1000	4300	000

- Fund 01 is the General Fund.
- Resource 9010 is a local definition for the fundraising project.
- Project Year is not applicable in this example.
- Goal 1110 is Regular Education for a specific class taking the field trip.
- Function 1000 is Instruction. The cost of the lunch is a part of the cost of the field trip.
- Object 4300 is Materials and Supplies; the lunches are part of the supplies needed for the field trip.
- School is not required.

This coding follows the example of the cost of transportation for field trips, where the cost of the bus is considered "Other Miles" and is not included in the cost of Home to School transportation.

Example 4: Refreshments for Meetings
The cafeteria runs a catering business in addition to its school nutrition program. The caterer provides pastries and coffee for the superintendent's cabinet meeting. The cost is transferred from the Cafeteria Fund to the General Fund.

	Fund	Resource	Project Year	Goal	Function	Object	School
Dr	13	5310	0	0000	0000	9110	000
Cr	13	5310	0	0000	3700	5750	000
Dr	01	0000	0	0000	7100	5750	000
Cr	01	0000	0	0000	0000	9110	000

- Fund 13 is the Cafeteria Fund. Fund 01 is the General Fund.
- Resource 5310 is Child Nutrition: School Programs, and Resource 0000 is Unrestricted Resources.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function is not required for balance sheet accounts; Function 3700 is Food Services; and Function 7100 is Board and Superintendent.
- Object 9110 is Cash in County Treasury, and Object 5750 is Transfers of Direct Costs - Interfund. Here the direct cost of the food is transferred from the Child Nutrition Program to the General Fund as a cost of meeting supplies.
- School is not required.

Example 5: Catering Services

A cafeteria program may include a catering business that offers its services to outside customers, with profits supporting the Child Nutrition Program. For example, a local organization contracts with the cafeteria to provide a dinner for local business people. These costs are reported on the state report for the Child Nutrition Program. The cafeteria separates out the cost of food and supplies for the dinner and charges the Rotary Club for the service.

	Fund	Resource	Project Year	Goal	Function	Object	School
Dr	13	5310	0	8100	6000	5710	000
Cr	13	5310	0	0000	3700	5710	000
Dr	13	5310	0	0000	0000	9110	000
Cr	13	5310	0	0000	6000	8699	000

- Fund 13 is the Cafeteria Fund.
- Resource 5310 is Child Nutrition: School Programs.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed; Goal 8100 is Community Services.
- Function 6000 is Enterprise, and Function 3700 is Food Services. In this entry, the cost of the food, salaries, and other costs of the meal is transferred from the Food Services function to the Enterprise function. The function field is not required when recording revenue, but in this example, the use of the function code in both revenue and expenditure might be helpful to analyze the profitability of the catering project in the Cafeteria Fund.
- Object 5710 is Transfers of Direct Costs; Object 9110 is Cash in County Treasury; and Object 8699 is All Other Local Revenue. This object is separate from food service sales (Object 8634).
- School is not required.

Example 6: Central Kitchen

An LEA operates a central kitchen that provides meals not only for its own students but also for the students of several other school districts. At the end of every month, the LEA separates out from the total costs of the central kitchen a prorated share based on the number of meals provided to its own students.

	Fund	Resource	Project Year	Goal	Function	Object	School
Dr	13	5310	0	0000	3700	7370	000
Cr	13	5310	0	7110	3700	7370	000

- Fund 13 is the Cafeteria Fund.
- Resource 5310 is the Child Nutrition: School Programs.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed; Goal 7110 is Nonagency—Educational because the contract is with other LEAs.
- Function 3700 is Food Services.
- Object 7370 is Transfers of Direct Support Costs.
- School is not required.

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Each month the revenue received by the central kitchen is recorded as revenue from the other LEAs and revenue received by the district's own federal and state reimbursements and parent fees.

	Fund	Resource	Project Year	Goal	Function	Object	School
Cr	13	5310	0	7110	3700	8699	000
Cr	13	5310	0	0000	3700	8220	000
Cr	13	5310	0	0000	3700	8520	000
Cr	13	5310	0	0000	3700	8634	000
Dr	13	5310	0	0000	0000	9110	000

- Fund 13 is the Cafeteria Fund.
- Resource 5310 is the Child Nutrition: School Programs.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed, and Goal 7110 is Nonagency—Educational.
- Function 3700 is Food Services.
- Object 8699 is All Other Local Revenue; Object 8220 is federal Child Nutrition Programs; Object 8520 is state Child Nutrition Programs; Object 8634 is Food Service Sales; and Object 9110 is Cash in County Treasury.
- School is not required.

The LEA may use Fund 63, Other Enterprise Fund, to account for the central kitchen operation as a separate business. In this case, the LEA's Cafeteria Fund would purchase meals for its own students from the Enterprise Fund

Use of an *italicized* account code is optional.   December 2003

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